April 7, 1997

Norine MacDonald
The Endswell Foundation
c/o Bull, Houser & Tupper
1055 West Georgia Street, Suite 3000
Vancouver, British Columbia V6E3R3

Dear Norine,

Thank you for your time on the phone last week. This letter is to follow-up on our conversation regarding payment reconciliation. The original contract between Endswell and Point stated that Point would pay Endswell 25% of the proceeds from grants received. In light of our current effort to re-launch the magazine and based on our discussion, we will pay 15% now of the $150K grant ($22,500) we received from the Foundation for Deep Ecology and will hold the remaining 10% in reserve, with the following understanding:

- The Point Foundation will provide a business plan that will outline our goals and strategies for achieving a sustainable operation that will be in a position to meet our financial obligations. Point will provide the business plan by May 10, 1997.
- The 10% balance will be held in a reserve account; and
- On September 1, 1997, the understanding outlined in this letter will be re-evaluated by Endswell Foundation. If Endswell Foundation is satisfied with the progress of Point's re-organization efforts and general operations, the 10% balance of the 150K grant payment ($15,000) will be released for use by Point. If Endswell Foundation so desires, the 10% balance will be remitted to Endswell immediately.

I really appreciate your consideration and the patience and support you've given Point and *Whole Earth Review*. We are working hard to prepare our business plan for your review. I will plan to call you next week to discuss the agreement and answer any questions you may have.

Sincerely,

David Katz
President, Board of Trustees
Point Foundation

DATE: 28 February, 1997
TO: Norine MacDonald, Endswell
FROM: David Katz, Point Foundation
RE: Progress report & payment reconciliation

Dear Norine:

I am writing to update you on our progress and to open discussion on how we might handle our current situation in regards to our loan from Endswell. I hope to talk to you on the telephone early next week.

Overall, we have made excellent progress and are very optimistic about the future of our endeavor. Let me touch on the highlights:

New Offices

We are all moved in and set up in our new quarters in Falkirk House on the edge of downtown San Rafael. The space is snug but it appears we have enough room and the rent is less than we were paying before. The building is a large beautifully restored mansion set in gardens that is operated by the city as a cultural center. We rent some of the extra space in the back of the building.

Board of Trustees

We have three potential new members nominated to join the board: Rachna Sachasinh, Claire Greensfelder, and Danica Remy. All bring great skills to the board. We hope to have at least several of them on board within several weeks.

Staffing

Our staff is nearly complete. Peter Warshall is the new editor, Mike Stone the managing editor, and Liz Thompson copy editor. David Burnor is working 25% time as the acquisitions editor, and Alex Gaul has joined us as publisher and business manger. Alex began a week ago. We will be hiring a receptionist as well.

The current plans indicate that we will use a design firm to assist us in the re-design of the magazine and also use a local desk-top production firm to produce the magazine for us on a quarterly basis. We have been advertising for an art director for the last month or so with no one selected to date. We may proceed without an art director and use other resources to meet this need.

Circulation & advertising

Alex Gault has strong experience in circulation development and advertising sales, and he will concentrate his energies on getting these two areas up to speed and producing revenue. We have budgeted substantially more funds for these areas than has ever been done historically at WER.

We are planning to have the first issue done by mid-May and on the newsstands by early June. We plan to produce three issues this calendar year. Our current thinking is to charge $26 for a 1 yr. subscription.

Finances

The summary from our budget projection (FY 1997)looks like this: (I would be glad to send the complete budget if you would like to see it.)

Revenue:	$308,000	
Expenses	$594,000	
Net from operations:	$(286,000)	
Grants	$215,000	($154k received to date)
Starting cash:	$129,000	(primarily from reader donations)
Net cash flow:	$58,000	

These numbers do not include any payments to Endswell for 25% of grants received. Included in the budget is our year-end payment to Endswell.

According to the 25% formula, we would be obligated to pay Endswell $53,750 over the course of the year if we receive the full $215k in grants.

The most immediate item we have to agree on is the payment to Endswell for the $150k grant we are getting from the Foundation for Deep Ecology. In our discussions with Joel Solomon, we suggested that we would like to either reduce the percentage for this grant and/or defer a portion of the total that is due Endswell at this time. I will call you soon to follow up and discuss this in detail. Please let me know what additional information you may require.

WHOLE EARTH REVIEW

August 21, 1996

Ms. Norine MacDonald
Bull Housser & Tupper
Suite 3000, 1055 W. Georgia Street
Vancouver, BC V6E3R3, Canada

Dear Norine:

I have enclosed our check for $5,000, representing 25% of the foundation grant Point Foundation recently received. I understand that this will be applied to repayment of our Endswell loan.

Thank you very much for your help. If you have any questions, please call.

Sincerely,

Michael K. Stone
General Manager, Point

cc: Tyrone Cashman
Joel Solomon

27 Gate Five Road, Sausalito, CA 94965 phone: 415/332-1716 fax: 415/332-3110 email: wer@well.com

POINT FOUNDATION
27 GATE 5 ROAD 332-1716
SAUSALITO, CA 94965

WESTAMERICA BANK N.A.
SAUSALITO, CA 94966
90-4021/1211 - 506

7218

Aug. 21, 1991

PAY TO THE ORDER OF THE ENDOWELL FOUNDATION $5,000.00

FIVE THOUSAND and 00/00 DOLLARS

Security features included. Details on back.

Elizabeth Thompson

MEMO LOAN PAYMENT

MP

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